

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB654)

Received: **02/01/2000**

Received By: **mlief**

Wanted: **Today**

Identical to LRB:

For: **Rob Kreibich (608) 266-0660**

By/Representing: **mary matthias**

This file may be shown to any legislator: **NO**

Drafter: **mlief**

May Contact:

Alt. Drafters:

Subject: **Higher Education - miscellaneous**

Extra Copies: **Mary Matthias (Leg. Council)**

Pre Topic:

No specific pre topic given

Topic:

College savings program

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mlief 02/01/2000	chanaman 02/01/2000		_____ _____			
/1	mlief 02/01/2000		hhagen 02/01/2000 hhagen 02/01/2000	_____ _____ _____ _____	lrb_docadmin 02/01/2000	lrb_docadmin 02/01/2000	

FE Sent For:

<END>

02/01/2000 01:13:36 PM

Page 1

1999 DRAFTING REQUEST**Assembly Amendment (AA-AB654)**

Received: 02/01/2000

Received By: mlief

Wanted: Today

Identical to LRB:

For: Rob Kreibich (608) 266-0660

By/Representing: mary matthias

This file may be shown to any legislator: NO

Drafter: mlief

May Contact:

Alt. Drafters:

Subject: Higher Education - miscellaneous

Extra Copies: Mary Matthias (Leg. Council)

Pre Topic:

No specific pre topic given

Topic:

College savings program

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mlief	cm #	hh sh	hh/ch #1			
		2/1					
FE Sent For:		1/					

<END>



State of Wisconsin Higher Educational Aids Board

131 West Wilson Street, Madison, Wisconsin

Post Office Box 7885

Phone: (608) 267-2206

Madison, WI 53707-7885

Fax: (608) 267-2808

E-Mail: HEABmail@heab.state.wi.us

Web Page: <http://heab.state.wi.us>

Tommy G. Thompson
Governor

Jane M. Hojan-Clark
Executive Secretary

February 1, 2000

TO: Representative Kreibich

RE: Recommended Amendments to AB 654

Thank you for taking the time to discuss possible changes to AB654. I believe the alternative we discussed will drastically reduce the cost to implement the requirement to exclude the balance of the college savings account in the calculation of a beneficiary's eligibility for state financial aid for higher education.

My understanding, based on this morning's meeting, is that the following changes will be pursued: The bill will be amended to provide that a state agency (HEAB), University of Wisconsin (UW) System institution or college campus or technical college are required to exclude the balance of the college savings account in the calculation of a beneficiary's eligibility for state financial aid for higher education **only if** the applicant provides notification to the state agency, UW, and/or technical college that they have such an account **and** if they provide requested information regarding the amount. Account holders are required to sign a waiver granting state agencies (HEAB), UW, and/or technical colleges access to account information from the Treasurer's Office for purposes related to calculating eligibility for state financial aid. The savings account manager is responsible for communicating these requirements to the program participant.

Please let me know if my understanding is incorrect. Again, I appreciate your time and consideration.

Jane Hojan-Clark
Executive Secretary

HEAB
+ school
to which
benef. applies
College tuition + expenses program
(CTEP)

**ASSEMBLY AMENDMENT 4,
TO 1999 ASSEMBLY BILL 654**

Now

January 12, 2000 - Offered by COMMITTEE ON COLLEGES AND UNIVERSITIES.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 8: delete lines 8 and 9 and substitute:

3 “(3) The president of the Wisconsin Association of Independent Colleges and
4 Universities or his or her designee.”.

5 **2.** Page 3, line 3: after that line insert:

6 **SECTION 1m.** 14.63 (1) (b) of the statutes, as affected by 1999 Wisconsin Act
7 9, is amended to read:

8 14.63 (1) (b) “Institution of higher education” means ~~a public or private~~
9 ~~institution of higher education that is accredited by an accrediting association~~
10 ~~recognized by the state treasurer, and a proprietary school approved by the~~
11 ~~educational approval board under s. 45.54~~ an eligible educational institution, as
12 defined under 26 USC 529.

13 **3.** Page 3, line ~~10~~ delete lines 8 to 17 and substitute:

8

1 "SECTION 4m. 14.63 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is
2 amended to read:

3 14.63 (4) NUMBER OF TUITION UNITS PURCHASED. A person who enters into a
4 contract under sub. (3) may purchase tuition units at any time and in any number,
5 except that the total number of tuition units purchased on behalf of a single
6 beneficiary may not exceed the number necessary to pay for 4 years of full-time
7 attendance, including mandatory student fees, as a resident undergraduate at the
8 institution within the University of Wisconsin System that has the highest resident
9 undergraduate tuition, as determined by the state treasurer, in the anticipated
10 academic years of their use cover tuition, fees and the costs of room and board, books,
11 supplies and equipment required for enrollment or attendance of the beneficiary at
12 an institution of higher education."

13 4. Page 4, line 22: after that line insert:

may not be included

14 "SECTION 8m. 14.63 (11m) of the statutes is created to read:

15 14.63 (11m) FINANCIAL AID CALCULATIONS. ~~No state agency, University of~~
16 ~~Wisconsin System institution or college campus or technical college may include the~~
17 ~~value of tuition units in the calculation of a beneficiary's eligibility for state financial~~
18 ~~aid for higher education.~~

19 5. Page 6, line 4: delete "managers" and substitute "vendors".


20 6. Page 8, line 21: delete "manager" and substitute "vendor".

21 7. Page 8, line 22: delete "person to serve as manager" and substitute "vendor".

22 8. Page 9, line 9: on lines 9, 10, 12, 14 and 16, delete "manager" and substitute
23 "vendor".

24 9. Page 10, line 6: delete "manager" and substitute "vendor".

if the beneficiary does not of the following
notifies the higher educational aids board and
the institution of higher education That the beneficiary
(back)

is planning to attend ^{school} that he or she is
a beneficiary of a contract under
this section and the contract owner
agrees to ^{release} to the ^{entity under} ~~higher~~ ~~part of~~
~~educational aids board and the~~
~~the~~ institution of higher education
information necessary for the
calculation under this subsection. 

higher
educational
aids board and
the institution
of higher
education

1 **10.** Page 10, line 7: delete the material beginning with “No” and ending with
2 “[revisor inserts date].” on line 9.

3 **11.** Page 11, line 5: delete lines 5 to 10 and substitute:
4

5 “(2) Notwithstanding the length of the terms specified in section 14.57 (6) of the
6 statutes, as created by this act, the initial terms of 3 of the members appointed under
7 section 14.57 (6) of the statutes, as created by this act, expire on May 1, 2003, and
8 the initial terms of 3 of the members expire on May 1, 2005.”.

9 **12.** Page 11, line 14: after that line insert:

10 “(2) The treatment of section 14.63 (3) (a) 1. and 3. and (c), (4), (5) (a) and (b)
11 (intro.) and 2., (8), (11) (b) and (11m) of the statutes takes effect on the first day of
12 the 4th month following publication.”.

(END)

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB 1253/ins
mjc

INS 1-5
1

1. Page 3, line 8: after that line insert:

2

"SECTION 1⁹. 14.63 (title) of the statutes, as affected by 1999 Wisconsin Act

3

9, is amended to read:

4

14.63 (title) College tuition prepayment and expenses program.

History: 1995 a. 403; 1997 a. 27, 158; 1999 a. 9 ss. 52 to 62; Stats. 1999 s. 14.63.

5

SECTION 1r. 14.63 (3) (title) of the statutes, as affected by 1999 Wisconsin Act

INS 1-12
6

9, is amended to read:

7

14.63 (3) (title) ~~TUITION PREPAYMENT~~ COLLEGE TUITION AND EXPENSES

8

CONTRACTS."

INS 1-18
9

2. Page 4, line 22: after that line insert:

10

SECTION 8⁶. 14.63 (13) of the statutes, as affected by 1999 Wisconsin Act 9,

11

is amended to read:

12

14.63 (13) PROGRAM TERMINATION. If the state treasurer determines that the

13

program under this section is financially infeasible, the state treasurer shall

14

discontinue entering into ~~tuition prepayment~~ contracts under sub. (3) and

15

discontinue selling tuition units under sub. (4). "

History: 1995 a. 403; 1997 a. 27, 158; 1999 a. 9 ss. 52 to 62; Stats. 1999 s. 14.63.

INS 1-19
16

3. Page 6, line 8: after "public" insert "except that the board may release to

17

the appropriate state agency information necessary in determining a beneficiary's

18

eligibility for ^(state) financial aid for higher education".

19

4. Page 8, line 14: delete lines 14 to 17 and substitute:

INS 20 next
1-21
20

"(8) FINANCIAL AID CALCULATIONS. The balance of a college savings account may

21

not be included in the calculation of a beneficiary's eligibility for state financial aid

22

for higher education if the beneficiary ~~does all of the following:~~

1 ^{WD 91} ~~14~~ Notifies the higher educational aids board and the eligible educational
2 institution that the beneficiary is planning to attend that he or she is a beneficiary
3 of a college savings account, *and if the account owner*

4 ~~15~~ Agrees to release to the ~~entities under par. (a)~~ *higher educational aids board* information necessary for the
5 calculation under this subsection. *and the eligible*

6 **5.** Page 10, line 9: after that line insert: *educational institution*

7 "SECTION 13m. 20.585 (2) (a) of the statutes is amended to read:

8 20.585 (2) (a) *Administrative expenses; general fund.* The amounts in the
9 schedule for the administrative expenses of the college tuition prepayment and
10 expenses program under s. 14.63, including the expense of promoting the program.

History: 1971 c. 125; 1973 c. 334; 1975 c. 270; 1977 c. 29; 1977 c. 418 ss. 160, 192; 1979 c. 221, 328; 1981 c. 20; 1983 a. 408; 1985 a. 29; 1989 a. 31; 1991 a. 39; 1993 a. 16; 1995 a. 27 ss. 1074m, 1079m, 1080m, 1126g to 1139r; 1995 a. 201; 1997 a. 27; 1999 a. 9 ss. 587, 597m.
History: 1995 a. 403; 1997 a. 27, 158; 1999 a. 9 ss. 52 to 62; Stats. 1999 s. 14.63.

11 **SECTION 13r. 20.585 (2) (s) of the statutes is amended to read:**

12 20.585 (2) (s) *Administrative expenses; tuition trust fund.* From the tuition
13 trust fund, the amounts in the schedule for the administrative expenses of the college
14 tuition prepayment and expenses program under s. 14.63, including the expense of
15 promoting the program. *"))*

History: 1971 c. 125; 1973 c. 334; 1975 c. 270; 1977 c. 29; 1977 c. 418 ss. 160, 192; 1979 c. 221, 328; 1981 c. 20; 1983 a. 408; 1985 a. 29; 1989 a. 31; 1991 a. 39; 1993 a. 16; 1995 a. 27 ss. 1074m, 1079m, 1080m, 1126g to 1139r; 1995 a. 201; 1997 a. 27; 1999 a. 9 ss. 587, 597m.

Ins 2-23
Item # Page 9, line 22: after that line insert;

test
trout
" (d) That the manager communicate to
the beneficiary and account owner
the requirements of *sub (8A)*."

~~S. 14.64~~
S. 14.64 (8)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBa1253/1
MJL:cmh:hmh

ASSEMBLY AMENDMENT ,
TO 1999 ASSEMBLY BILL 654

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 8: delete lines 8 and 9 and substitute:

3 **"(3)** The president of the Wisconsin Association of Independent Colleges and
4 Universities or his or her designee."

5 **2.** Page 3, line 3: after that line insert:

6 **"SECTION 1g.** 14.63 (title) of the statutes, as affected by 1999 Wisconsin Act 9,
7 is amended to read:

8 **14.63** (title) **College tuition prepayment and expenses program.**

9 **SECTION 1m.** 14.63 (1) (b) of the statutes, as affected by 1999 Wisconsin Act 9,
10 is amended to read:

11 14.63 (1) (b) "Institution of higher education" means ~~a public or private~~
12 ~~institution of higher education that is accredited by an accrediting association~~
13 ~~recognized by the state treasurer, and a proprietary school approved by the~~

1 ~~educational approval board under s. 45.54 an eligible educational institution, as~~
2 ~~defined under 26 USC 529.~~

3 **SECTION 1r.** 14.63 (3) (title) of the statutes, as affected by 1999 Wisconsin Act
4 9, is amended to read:

5 14.63 (3) (title) ~~TUITION PREPAYMENT~~ COLLEGE TUITION AND EXPENSES
6 CONTRACTS."

7 **3.** Page 3, line 8: delete lines 8 to 17 and substitute:

8 "SECTION 4m. 14.63 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is
9 amended to read:

10 14.63 (4) NUMBER OF TUITION UNITS PURCHASED. A person who enters into a
11 contract under sub. (3) may purchase tuition units at any time and in any number,
12 except that the total number of tuition units purchased on behalf of a single
13 beneficiary may not exceed the number necessary to ~~pay for 4 years of full-time~~
14 ~~attendance, including mandatory student fees, as a resident undergraduate at the~~
15 ~~institution within the University of Wisconsin System that has the highest resident~~
16 ~~undergraduate tuition, as determined by the state treasurer, in the anticipated~~
17 ~~academic years of their use~~ cover tuition, fees and the costs of room and board, books,
18 supplies and equipment required for enrollment or attendance of the beneficiary at
19 an institution of higher education."

20 **4.** Page 4, line 22: after that line insert:

21 "SECTION 8m. 14.63 (11m) of the statutes is created to read:

22 **14.63 (11m) FINANCIAL AID CALCULATIONS.** The value of tuition units ~~may~~ ^{shall} not
23 be included in the calculation of a beneficiary's eligibility for state financial aid for
24 higher education if the beneficiary notifies the higher educational aids board and the

1 institution of higher education that the beneficiary is planning to attend that he or
2 she is a beneficiary of a contract under this section and the contract owner agrees to
3 release to the higher educational aids board and the institution of higher education
4 information necessary for the calculation under this subsection.

5 **SECTION 8r.** 14.63 (13) of the statutes, as affected by 1999 Wisconsin Act 9, is
6 amended to read:

7 **14.63 (13) PROGRAM TERMINATION.** If the state treasurer determines that the
8 program under this section is financially infeasible, the state treasurer shall
9 discontinue entering into ~~tuition-prepayment~~ contracts under sub. (3) and
10 discontinue selling tuition units under sub. (4).”.

11 **5.** Page 6, line 4: delete “managers” and substitute “vendors”.

12 **6.** Page 6, line 8: after “public” insert “, except that the board may release to
13 the appropriate state agency information necessary in determining a beneficiary’s
14 eligibility for state financial aid for higher education”.

15 **7.** Page 8, line 14: delete lines 14 to 17 and substitute:

16 **“(8) FINANCIAL AID CALCULATIONS.** The balance of a college savings account ^{shall} ~~may~~
17 not be included in the calculation of a beneficiary’s eligibility for state financial aid
18 for higher education if the beneficiary notifies the higher educational aids board and
19 the eligible educational institution that the beneficiary is planning to attend that he
20 or she is a beneficiary of a college savings account and if the account owner agrees
21 to release to the higher educational aids board and the eligible educational
22 institution information necessary for the calculation under this subsection.”.

23 **8.** Page 8, line 21: delete “manager” and substitute “vendor”.

24 **9.** Page 8, line 22: delete “person to serve as manager” and substitute “vendor”.

1 **10.** Page 9, line 9: on lines 9, 10, 12, 14 and 16, delete “manager” and
2 substitute “vendor”.

3 **11.** Page 9, line 22: after that line insert:

4 “(d) That the manager communicate to the beneficiary and account owner the
5 requirements of s. 14.64 (8).”.

6 **12.** Page 10, line 6: delete “manager” and substitute “vendor”.

7 **13.** Page 10, line 7: delete the material beginning with “No” and ending with
8 “[revisor inserts date].” on line 9.

9 **14.** Page 10, line 9: after that line insert:

10 “**SECTION 13m.** 20.585 (2) (a) of the statutes is amended to read:

11 20.585 (2) (a) *Administrative expenses; general fund.* The amounts in the
12 schedule for the administrative expenses of the college tuition ~~prepayment and~~
13 expenses program under s. 14.63, including the expense of promoting the program.

14 **SECTION 13r.** 20.585 (2) (s) of the statutes is amended to read:

15 20.585 (2) (s) *Administrative expenses; tuition trust fund.* From the tuition
16 trust fund, the amounts in the schedule for the administrative expenses of the college
17 tuition ~~prepayment and expenses~~ program under s. 14.63, including the expense of
18 promoting the program.”.

19 **15.** Page 11, line 5: delete lines 5 to 10 and substitute:

20 “(2) Notwithstanding the length of the terms specified in section 14.57 (6) of the
21 statutes, as created by this act, the initial terms of 3 of the members appointed under
22 section 14.57 (6) of the statutes, as created by this act, expire on May 1, 2003, and
23 the initial terms of 3 of the members expire on May 1, 2005.”.

24 **16.** Page 11, line 14: after that line insert:

(1) (2) The treatment of section 14.63 (3) (a) 1. and 3. and (c), (4), (5) (a) and (b)
(2) (intro.) and 2., (8), (11) (b), ~~and~~ (11m) of the statutes takes effect on the first day of
the 4th month following publication.”.

4

(END)

(s)



CORRECTIONS IN: CCC (LRBa1253/1)
ASSEMBLY AMENDMENT 3,
TO 1999 ASSEMBLY BILL 654

Prepared by the Legislative Reference Bureau
(February 29, 2000)

In engrossing, the following corrections were made:

1. Page 4, line 10: delete "13m" and substitute "13dm".
2. Page 4, line 14: delete "13r" and substitute "13dr".
3. Page 5, line 2: delete "(8),".
4. Page 5, line 2: after "(13)" insert ", 14.64 (8)".

NOTE: Section 14.63 (8) was inadvertently listed in the effective date provision; the intended cross-reference was "14.64 (8)". Items 3 and 4, above, make that correction.

KMG:

.....

Minor clerical corrections in legislation are authorized under s. 35.17, stats.; Senate Rule 31, Assembly Rule 37 and Joint Rule 56.

1 ✓ 10. Page 9, line 9: on lines 9, 10, 12, 14 and 16, delete "manager" and
2 substitute "vendor". ~~vendor~~

3 ✓ 11. Page 9, line 22: after that line insert: ~~SET~~ SET

4 (d) That the ~~manager~~ communicate to the beneficiary and account owner the
5 requirements of s. 14.64 (8).

6 ✓ 12. Page 10, line 6: delete "manager" and substitute "vendor".

7 ✓ 13. Page 10, line 7: delete the material beginning with "No" and ending with
8 "[revisor inserts date]." on line 9.

9 ✓ 14. Page 10, line 9: after that line insert:

10 SECTION 13. 20.585 (2) (a) of the statutes is amended to read:

11 20.585 (2) (a) *Administrative expenses; general fund.* The amounts in the
12 schedule for the administrative expenses of the college tuition prepayment and
13 expenses program under s. 14.63, including the expense of promoting the program

14 SECTION 13. 20.585 (2) (s) of the statutes is amended to read:

15 20.585 (2) (s) *Administrative expenses; tuition trust fund.* From the tuition
16 trust fund, the amounts in the schedule for the administrative expenses of the college
17 tuition prepayment and expenses program under s. 14.63, including the expense of
18 promoting the program.

19 ✓ 15. Page 11, line 5: delete lines 5 to 10 and substitute:

20 (2) Notwithstanding the length of the terms specified in section 14.57 (6) of the
21 statutes, as created by this act, the initial terms of 3 of the members appointed under
22 section 14.57 (6) of the statutes, as created by this act, expire on May 1, 2003, and
23 the initial terms of 3 of the members expire on May 1, 2005.

24 ✓ 16. Page 11, line 14: after that line insert:

2-29-09 CCC +

14.64(8)

1
2
3
4

(2) The treatment of sections 14.63 (title), (3) (title), (a) 1. and 3. and (c), (4),
(5) (a) and (b) (intro.) and 2., ^{CCC} (11) (b), (11m) and (13) and 20.585 (2) (a) and (s) of
the statutes takes effect on the first day of the 4th month following publication.

(END)

± WJ
11-15



State of Wisconsin
1999-2000 LEGISLATURE

CORRECTIONS IN:

**ASSEMBLY AMENDMENT 3,
TO 1999 ASSEMBLY BILL 654**

Prepared by the Legislative Reference Bureau
(February 29, 2000)

In engrossing, the following corrections were made:

- 1.** Page 4, line 10: delete "13m" and substitute "13dm".
- 2.** Page 4, line 14: delete "13r" and substitute "13dr".
- 3.** Page 5, line 2: delete "(8),".
- 4.** Page 5, line 2: after "(13)" insert ", 14.64 (8)".

NOTE: Section 14.63 (8) was inadvertently listed in the effective date provision; the intended cross-reference was "14.64 (8)". Items 3 and 4, above, make that correction.